

**The Impact of Digital Literacy, Financial Literacy, and Social Media on Investment
Decision in the Cryptocurrency Market (A Comparative Study of Indonesia Millennials
and Generation Z)**

THESIS



KEVINIA MAYUMI AMRAN

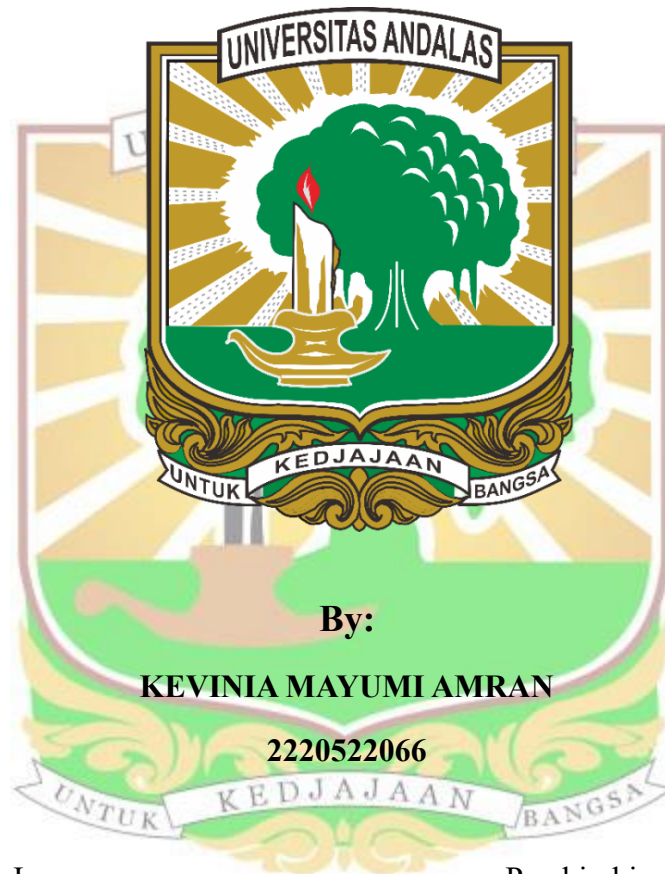
2220522066

**MAGISTER MANAGEMENT
FACULTY OF ECONOMICS AND BUSINESS
UNIVERSITAS ANDALAS
PADANG
2024**

The Impact of Digital Literacy, Financial Literacy, and Social Media on Investment Decision in the Cryptocurrency Market (A Comparative Study of Indonesia Millennials and Generation Z)

THESIS

Submitted as one of the requirements for obtaining a Master of Management degree in the Master of Management Study Program at Universitas Andalas



By:

KEVINIA MAYUMI AMRAN

2220522066

Pembimbing I

Pembimbing II

Dr. Fajri Adrianto, SE.,M.Bus (Adv) Dr. Masyhuri Hamidi, SE.,M.Si.,CFP.,CRA.,CRP

**MAGISTER MANAGEMENT
FACULTY OF ECONOMICS AND BUSINESS
UNIVERSITAS ANDALAS
PADANG**

2024

THE IMPACT OF DIGITAL LITERACY, FINANCIAL LITERACY, AND SOCIAL MEDIA ON INVESTMENT DECISION IN THE CRYPTOCURRENCY MARKET (A COMPARATIVE STUDY OF INDONESIA MILLENNIALS AND GENERATION Z)

Kevinia Mayumi Amran¹, Fajri Adrianto², and Masyhuri Hamidi³

Master of Management, Faculty of Economics and Business, Universitas Andalas

E-mail: mayumikevinia9@gmail.com

ABSTRACT

This study investigates how digital literacy, financial literacy, and social media affect the investment decision-making of Indonesian Millennials and Generation Z, using the theories of planned behavior and reasoned action as a framework. It starts with a comprehensive literature review, emphasizing the importance of financial literacy in risk reduction and informed decision-making, as well as digital literacy's role in navigating financial data, while also highlighting social media's influence on public opinion and investment trends. The study uses structural equation modelling (SEM) to analyze data from a survey conducted with this demographic from August 24 to August 27, 2024, with a sample size ensuring representativeness of those often unfamiliar with cryptocurrency principles. The research addresses four key questions: how digital literacy, financial literacy, and social media influence cryptocurrency investment decisions, and how these factors, mediated by behavioral intention, impact decision-making. The findings indicate that digital literacy enhances investment decisions by improving access to financial information, while financial literacy is essential for risk reduction. Social media significantly influences investment decisions by shaping behavioral intentions and public perception. The study concludes that understanding social media, digital literacy, and financial literacy is crucial for informed investment decisions in the cryptocurrency market, highlighting the need for continuous education and resources to improve literacy and offering practical implications for investors, financial institutions, and policymakers. It also emphasizes the importance of social media awareness in shaping investment trends and behaviors.

Keywords: *Digital Literacy, Financial Literacy, Social Media, Investment Decisions, Cryptocurrency, Indonesia Millennials and Generation Z*